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ZNR UUUUU ZZH
R 181400Z SEP 09
FM AMCONSUL DURBAN
TO RUEHC/SECSTATE WASHDC 1507
INFO RUEHSA/AMEMBASSY PRETORIA 0691
RUEHTN/AMCONSUL CAPE TOWN 0290
RUERJFA/FORT GEORGE G MEADE MD
RUEAIIA/CIA WASHINGTON DC
RHMFIUU/FBI WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOC/USDOC WASHINGTON DC
RHEHAAA/NSC WASHINGTON DC
RUEHDU/AMCONSUL DURBAN 0885

UNCLAS SECTION 01 OF 02 DURBAN 000097

SENSITIVE
SIPDIS

PM/DTCC - BLUE LANTERN COORDINATOR

E.O. 12958: N/A
TAGS: ETTC KOMC SF
SUBJECT: BLUE LANTERN LEVEL 3 CHECK ON LICENSES 050170678 AND
050170688: DURBAN REPORT

¶1. (SBU) Summary. On Wednesday, September 16, 2009, Durban Political and Economic Officer met with and interviewed Warehouse Manager Nathi Khomongoe, Sales Executive Andre van der Merwe, and Warehouse Dispatch Ian Davies at the African Outdoor Sports (AOS) warehouse in Pinetown, KwaZulu Natal. AOS staff were responsive to all questions sent by the Office of Defense Trade Controls Compliance. Pol/Econ Officer concludes that AOS is a bona fide end-user. End Summary.

¶2. (SBU) Please find below AOS's responses to questions from State 080202:

When was your company established and who are its principals? African Hunting Supplies was established in 1996 and trades under the name African Outdoor Sports. Its principals are John Fuller (Australian citizen) and Reno van Heerden (South African citizen). Fuller visits the warehouse four to six times a year. van Heerden visits often but works mostly from the company's Pretoria-based headquarters.

What products and services does your company provide? AOS sells crossbows, carbon dioxide pistols, rifles, pepper spray, stun guns, paint guns, binoculars, hunting lamps, knives, blow pipes, pump action rifles, live ammunition, and hunting clothes. AOS does not provide any services.

How long have you been in the business of importing and selling defense articles?

AOS has been in the business of importing and selling defense articles since its establishment in 1996. From the U.S., AOS imports Sierra bullets, Mossberg rifles, and Hauer rifles; from Finland, Sako-Tikka rifles; from Yugoslavia, Zastava rifles; from Taiwan, slingshots, crossbows, arrows, and blow pipes; from China, hunting clothes, gun safes, and Nikko-Stirling scopes; and from Turkey, Hatsan air rifles and shot guns. AOS used to import Nikko-Stirling scopes from Korea.

Who are your regular customers and where do they reside? AOS sells only to gun dealers and sporting goods stores. Forty-four percent of AOS's customers reside in the Gauteng province; 12 percent in the Northwest province; 11 percent in the Western Cape province; nine percent in the Northern Cape province; seven percent in the Free State province; seven percent in the Mpumalanga province; five percent in the KwaZulu Natal province; five percent in the Eastern Cape province; and three percent in the Eastern Cape province. AOS sells hunting accessories to customers in Namibia and Botswana, which constitute five and two percent of their customer base, respectively. AOS does not sell any fire arms or ammunition to

customers in other countries.

What specific ammunition components will you import on these licenses?

AOS will import reloading bullets, ammunition, complete cartridges, and primers.

What calibers will the finished ammunition be?

The calibers will be: 22 room fire, 22 hornet, 222, 223, 243, 270, 30M1 carbon, 308, 3006, 7 millimeter Rem Mag, 300 Winchester Magnum, and 303.

For what is ammunition of this caliber generally used in South Africa?

In South Africa, ammunition of this caliber is generally used for hunting, target practice, and recreational activities.

Why did you issue two separate purchase orders on these transactions as opposed to placing one order with the U.S. vendor?

AOS does not have the warehouse space to stock two containers at once. Receiving one container at a time will allow AOS time to sell the items from the first container and keep the items from the second for shelf stock.

What are your annual sales of firearms and ammunition? From July 2008 to June 2009, AOS sold R6.2 million (\$833,000) worth of firearms. During the same time period, AOS sold R5 million (\$672,000) worth of live ammunition and R4.3 million (\$578,000) worth of bullets.

Are you familiar with the regulations governing the import of

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U.S.-origin defense articles, including restrictions on re-transfer or re-export?

Yes. AOS is familiar with the regulations governing the import of U.S.-origin defense articles, including restrictions on re-transfer or re-export. AOS does not re-transfer or re-export any defense articles.

Comment

¶4. (SBU) Pol/Econ Officer found the AOS warehouse to be fully operational, well organized and staffed by knowledgeable and competent employees. All guns and ammunition are stored in secure, large vaults. Access to the warehouse is restricted to five government screened, trained and certified employees. Based on his site visit, Pol/Econ Officer concludes that African Outdoor Sports is a bona fide end-user.

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